monitoring and follow up.

3. To Keep a watch on the recovey of top sticky accounts.

4. Taking corrective action where advances are found to have been sticky.

5. Recently, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 has been enacted for expeditious adjudication and recovery of debts due to banks and for matter connected therewith or indicental thereto.

As a result of the follow-up of above guidelines, the rate of growth of Overdues of Public Sector Banks has come down from 30.9% in the year ending March, 1990 to 14.9% and 9.3% in the year ending March 1992 and 1993 respectively.

With a view to minimising, the incidence of overdues, Reserve Bank of India (RBI) conducts financial inspection of banks regularly. After every inspection the main findings are discussed by RBI with the Chief Executives of the banks. They are impressed upon to take all necessary steps to gear up the internal control machinery and to reduce the sticky/sick advances within a time bound programme. The banks are also required to submit their half yearly progress report to RBI indicating the progress in recovery regularisation of their sticky/sick advances.

Interest Component on Crop Loans/Term Loans

66. DR. YELAMANCHILI SIVAJI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Reserve Bank of India has stipulated that in case of crop loans/term loans of commercial banks to small and marginal farmers interest component should not exceed principal amount;

(b) if so, whether this stipulation of the Reserve Bank of India is implemented in Guntur and Prakasam Districts of Andhra Pradesh for cotton growers; and

(c) what is the regulating agency to ensure implementation of this stipulation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) As per instructions of Reserve Bank of India (RBI) on interest due on agricultural advances, when crop loans or instalments under term loans become overdue, banks can add interest outstanding to principal and compound the interest. However, the total interest debited to an account should not exceed the principal amount in respect of short-term loans to small and marginal farmers. The above instructions are applicable to all crop all over India, including Guntur and Prakasam districts.

(c) There is a machinery at the regional offices of banks to look into the complaints from the borrowers and to verify that these guidelines are implemented by the branches in actual practice. In addition, RBI also looks into the compliance of the guidelines by Bank branches at the time of their inspection.

केन्द्रीय सरकार के कर्मचारियों के महंगाई भत्ते में वृद्धि

67 श्री विठ्ठलभाई माधवराव जाधव:
श्री जागीर सिंह "दर्द":
मौलाना ओबैदुल्ला खान आज़मी:

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि 1 जनवरी, 1994 से केन्द्रीय सरकार के कर्मचारियों का महंगाई-भत्ता और बढ़ गया है; और

(ख) यदि हां, तो कर्मचारियों को इसका भुगतान कब तक कर दिया जाएगा?

वित्त मंत्रालय में राज्य मंत्री (श्री एस० बी० चन्द्रशेखर मूर्ति): (क) और (ख) मौजूदा अनुदेशों